

House Republican Press Release

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Governor's Budget Offers Challenges



By Representative Selim Noujaim

This past week I sat in my office in the Legislative Office Building in Hartford, having my lunch while watching a committee hearing on television. All legislative offices are equipped with televisions so legislators can monitor hearings while they are in their offices such as I was doing on this day. In the committee hearing, which was taking place downstairs, I watched a number of people get up and testify about proposed cuts in the HUSKY (Healthcare for Uninsured Kids and Youth) program. Several young mothers, no more than children themselves, stated their reliance on this program to care for themselves and their own children.

I was certainly touched by their plight, and know full well that taxpayers have been compassionate and supportive of people who truly need these services. There are a number of people in Connecticut who count on many programs that the state offers, whether it is the HUSKY program, or another. Some count on more than one.

There is a hard reality that comes with the reliance of so many on programs that are paid for by the taxpayers of Connecticut. And that is that the money is running out. I remember the difficulty last session when a budget that relied too heavily on one-time gimmicks and shell games to make ends meet was approved. As the new Governor, M. Jodi Rell stated in her address last month the General Assembly, paying for these big-ticket items has been constantly put off to the future, and the future is now.

Governor Rell has proposed a budget that in her own words has “something in it for everyone to hate.” Instead of putting off the many hard choices that need to be made, she has decided to face them. Her budget mixes some increases in taxes with some reductions in spending. She has remained open to the possibility of raising taxes, and is willing to negotiate them with the Democratic majority in the legislature if they can come up with areas where spending can be cut.

Connecticut residents remain among the highest taxed per capita in the United States. We currently have a \$1.3 billion deficit to address this session. The answer can not simply be to raise taxes once again.

Under the governor's proposal, premiums that some families pay for the HUSKY program will be increased if they have a higher income. \$5.5 million will be appropriated to a pre-k pilot program, as well as funds for School Readiness. Funding is provided to meet the mandated 1,248 state troopers, and additional benefits are provided for Connecticut soldiers, including a 50% tax exemption from veterans' pensions.

Funding these priorities comes at a price. The cigarette tax is increased by 74 cents up to \$2.25, and alcohol taxes are increased by 15% under this proposed budget. The corporate surcharge is increased 15% in 2005, and then to 10% in 2006. The gas tax is also increased.

Governor Rell has set an excellent framework for the debate to begin. I am generally predisposed against tax increases, particularly those that might put an additional burden on the business community, and stifle economic growth. I have long been an advocate of making Connecticut more business-friendly. Attracting more business to Connecticut is critical in reducing the personal tax burden of all taxpayers. I will look for ways to achieve this as the debate begins.

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